

RAM

From: Glenn Melchinger [GMelchinger@ahfi.com]
Sent: Wednesday, February 08, 2006 2:29 PM
To: ram@pohlhawaii.com
Cc: PAUL Alston; wprice@pohlhawaii.com
Subject: RE: SS v KG: proof of intercompany debt 6850-5

Bob,

I do not believe South Wind has the originals, but we are not conceding anything.

Regards,

Glenn

>>> "Robert A. Marks" <ram@pohlhawaii.com> 02/06/2006 4:46 午後 >>>

Glenn - can we have your responses to the following questions posed in my 2/1/06 e-mail to you, and omitted from your response sent Saturday:

Are you prepared to concede that you do not have any of the original signed promissory notes that are the source of the debt underlying your clients' UFTA claims?

Are you prepared to concede that you don't have signed copies of promissory notes that are the source of the debt underlying your clients' UFTA claims?

South Wind meticulously identified the SS intercompany debt it was purchasing in a schedule to the Loan Purchase Agreement (256 0239) and Supp to Loan Purch Agreement (256 0288). Does South Wind have the original notes it purchased?

I trust you learned the answers to these questions on your November trip to Japan.

Thanks.

Bob

-----Original Message-----

From: Glenn Melchinger [mailto:GMelchinger@ahfi.com]
Sent: Saturday, February 04, 2006 5:19 PM
To: PAUL Alston; ram@pohlhawaii.com
Cc: wprice@pohlhawaii.com
Subject: RE: SS v KG: proof of intercompany debt 6850-5

Dear Bob,

This replies to your Feb. 1 email below and Feb. 2 email re Box numbers.

You say you have been asking for documents for "over a year." First, I believe our responses to your

EXHIBIT 10

2/23/2006

January, 2005 requests were not due until mid-2005. Second, we have been producing to you (or your translators, at least) all our relevant non-privileged documents, (with a few limited exceptions, such as the California documents) for many months, and you and your translators have been reviewing them. As I wrote, it is not our job to review these for you and give you our work product at this stage.

I mentioned the financial statements in my email because: (1) I recall you asked about them, saying you could not find any, and (2) because the fact that the financials are there indicates to me that your translators may not be identifying all the relevant documents for you.

The production box numbers I meant to give you are: 31, 32, 39, 40, 61, 64, 65 109, 110, 162, 163, 164, 165, 167, 168, 174, & 175.

As for the destruction of documents, an employee saved certain documents from the shredder and delivered them to the Trustee. Also, Mr. Fukuda told us he shredded many boxes of documents. Obviously, we do not know all of what was shredded or why. One thought is that Mr Fukuda may have assumed GT and the CPAs kept copies of all the intercompany notes so they could prepare and audit the SS financial statements.

Regards,

Glenn

>>> "Robert A. Marks" <ram@pohlhawaii.com> 02/01/2006 4:55 午後 >>>

Glenn - the debt is an essential element of plaintiffs' UFTA claims in these lawsuits. I agree that we probably disagree, but what is your view of what evidence is sufficient to establish the debtor creditor relationship when it is your burden to prove the debt, ostensibly by clear and convincing evidence? Are you prepared to concede that you do not have any original signed promissory notes? Are you prepared to concede you don't even have signed copies of promissory notes? We've been asking you to show us the evidence you will use to prove the debts for over a year. A concrete answer will be appreciated.

South Wind meticulously identified the SS intercompany debt it was purchasing in a schedule to the Loan Purchase Agreement (256 0239) and Supp to Loan Purch Agreement (256 0288). Doesn't South Wind have the notes it purchased?

Do you really think the financial statements are sufficient to prove the debt? If not, I don't know why you even mention the financial statements in connection with this topic. I will ask Chiemi to revisit boxes 200, 202, 209, 210, 218, 213, 214, 216, 219, 222, & 223 to see if financial statements can be found. She will contact Kelly directly.

What is your evidence that Mr. Fukuda and his subordinates destroyed records? Does that evidence include that intercompany notes were destroyed? Even assuming records were destroyed, why in the world would anyone bother destroying intercompany notes?

Regards,
Bob